

Len OMB

18 JUN 1976

Mr. James M. Frey
Assistant Director for Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Frey:

Enclosed is a proposed report to Chairman Ribicoff, House Committee on Government Operations, in response to a request for our recommendations on S. 2258, a bill "To establish a method whereby the Congress may assure a more effective use of tax dollars."

Advice is requested as to whether there is any objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

SIGNED


Legislative Counsel

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Enclosure

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WASHINGTON, D.C. 20505

Honorable Abraham Ribicoff, Chairman
Committee on Government Operations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is in response to your request for our views on S. 2258, a bill "To establish a method whereby the Congress may assure a more effective use of tax dollars."

S. 2258 imposes restrictions on Executive branch rules and regulations used in the administration or implementation of any law of the United States. The bill provides that whenever an Executive agency proposes to place in effect any rule or modification of an existing rule, the proposal must first be submitted to Congress for review before becoming effective. If either House should pass a disapproving resolution within 60 days of submission, the proposal would not become effective. Section 4 of the bill exempts from these procedures "regulations dealing with national security, foreign affairs, agency management, or personnel matters." Almost all rule making which might involve the Central Intelligence Agency would fall within this latter exception.

Notwithstanding the exception in section 4, the Central Intelligence Agency opposes S. 2258 for reasons both of practicality and of constitutional principle. From a practical standpoint, this legislation would delay and impede the effective administration of any program dependent on covered regulations for its implementation. It would also undermine the flexibility of the administrative process. With respect to the constitutionality of the procedures proposed in S. 2258, this Agency defers to the views of the Department of Justice; however, it is our belief that provisions for one-house veto of Executive actions are not in conformity with the procedures for the enactment of legislation contemplated by Article I, Section 7 of the Constitution, which clearly indicates that the veto power of the President is intended to apply to all actions of Congress which have the force of law. For these reasons, we recommend against favorable consideration of S. 2258.

The Office of Management and Budget has advised there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

George Bush.
Director



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